

USER'S GUIDE
FOR LABOR SURCHARGE AND EQUIPMENT RENTAL RATES
April 1, 2000 - March 31, 2001

Equipment Rental Rates are available on the Internet at:

<http://www.dot.ca.gov/hq/construc/>

For additional copies of the "Labor Surcharge and Equipment Rental Rates", send \$8.00 per book (tax included) to:

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1900 ROYAL OAKS DRIVE
SACRAMENTO, CALIFORNIA 95815

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Changes

Changes to the equipment rates in the April 1, 2000 book were the result of: 1) fuel costs increased; 2) interest rates increased; 3) Producers' Price Index increased; 4) sales tax was unchanged; and 5) freight (F.O.B.) rates were unchanged. Additionally, low-usage equipment was deleted and newer equipment models were added.

Labor Surcharge

The labor surcharge compensates the contractor for statutory payroll items stipulated by various governmental agencies. The six items included are Workers' Compensation, Social Security, Medicare, Federal Unemployment, State Unemployment, and State Training taxes. The general rate is an average of the job classifications common to Caltrans projects. Changes to the labor surcharge in the April 1, 2000 book were the result of an increase in Worker's Compensation rates. The rates were derived from using the pure premium rate approved by the Insurance Commissioner effective January 1, 2000 and increasing it by the historical statewide average expense. In the calculation of the labor surcharge for overtime work, the Worker's Compensation is not included on the premium portion of overtime, as provided by Worker's Compensation regulations.

The surcharge percentage to be applied to the actual wages paid as provided in Section 9-1.03A(1b) of the Standard Specifications will **be 16 percent for regular time (RT) and 15 percent for overtime (OT)**.

Exceptions to the general rate are listed below. The classifications were chosen because of very high Workers' Compensation Insurance costs. Contractors will be compensated at their employees worker's compensation rating, regardless of work being performed (e.g. "Drilling Contractor" performing traffic control will be compensated at the Drilling Surcharge rate). Questions or disputes should be directed to the Resident Engineer.

EXCEPTIONS

<u>Type of Work Performed</u>	<u>Labor Surcharge Percent</u>	
	RT	OT
Concrete Construction - Bridge	17	15
Drilling	24	21
Fence & Guardrail Construction	21	18
Erection of structural metal for metal bridges, excluding sign bridge	22	19
Landscape Gardener	20	17
Mobil Crane & Hoist Service	21	18
Painting Steel Structures or Bridges	23	19
Pile Driving, not including drilled, cast-in-place concrete piles	18	16
Sign Erection or Repair	25	21
Wrecking & Demolition	18	16

For work that is determined by the Engineer to be covered by Longshoreman and Harbor Worker's Act, an appropriate labor surcharge will be established by the Engineer.